



# The Nordic Model: Beneath the Calm

IAEE Association Webinars

28 October 2020

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# Nordic Power Sector: Opportunities and Challenges

- Opportunities

- Deregulated yet integrated and mostly competitive electricity market
- Ambitious climate targets with existing flexible resources to integrate variable renewable energy (VRE)

- Challenges

- Are incentives (e.g., for storage adoption) sufficient to tackle the missing-money problem from high VRE penetrations?
- Could increased information transparency actually hamper market efficiency?
- Does enhanced flexibility give more leverage for strategic behaviour?